

May 24, 2002

## **Notice of Competitive Lease Sale Oil and Gas**

The Bureau of Land Management, Eastern States, is pleased to announce that we will offer for competitive sale certain Federal lands in Alabama, Arkansas, Kentucky, Louisiana, Michigan and Mississippi for oil and gas leasing. This notice describes—

1. the time and place of the auction,
2. how to register for and participate in the bidding process,
3. the conditions of the auction,
4. how to file a pre-sale noncompetitive offer, and
5. how to file a noncompetitive offer after the auction.

### **When and where will the auction take place?**

**When:** The competitive oral auction will begin at **10:00 a.m. on July 11, 2002**. The sale room will open one hour earlier to allow you to register and get your bidding number.

**Where:** We will hold the auction at the BLM, Eastern States, 7450 Boston Boulevard, Springfield, Virginia 22153. Parking is available at the sale site.

**Access:** The auction room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the auction, such as a sign language interpreter or materials in an alternate format, please contact Gina Goodwin at (703) 440-1534 by June 11, 2002.

### **How do I register as a bidder?**

You have to register and get a bidding number to participate in the sale. A Bidder Registration Form is included in this package. We will have copies available at the auction site. We will begin registering bidders at 9:00 a.m. on the day of the sale

### **How do I participate in the bidding process?**

The auctioneer will offer the parcels on the list attached to this notice in number order. Only registered bidders may make oral bids. All bids are on a per-acre basis for the entire acreage in the parcel. The winning bid will be the highest oral bid equal to or exceeding the minimum acceptable bid. The decision of the auctioneer is final.

The minimum acceptable bid is \$2 per acre or fraction thereof. If the parcel has fractional acreage, round it up to the next whole acre. For example, a parcel of 100.5 acres requires a minimum bid of \$202 (\$2 x 101 acres). After the auctioneer has offered all parcels, you may request that any unsold parcel be re-offered.

### **What are the terms and conditions of a lease issued as a result of this sale?**

6. **Term of the lease:** A lease is issued for a primary term of 10 years. It continues beyond that if it has production in paying quantities. We charge a royalty of 12.5 percent of the value of
7. oil or gas removed or sold from a lease. You will find other lease terms on our standard lease form (Form 3100-11, June 1988 or later editions).
7. **Stipulations:** Some parcels are subject to surface use stipulations. They are requirements or restrictions on how you conduct operations. These stipulations are included in the parcel descriptions on the attached list. They become part of the lease and supercede any inconsistent provisions in the lease form.

### **What are the terms of the sale?**

8. **Withdrawal:** We reserve the right to withdraw any or all parcels from the sale before the auction begins. If we withdraw any parcels, we will post a notice in the Public Room at the
9. Eastern States Office. You may also get the numbers of withdrawn parcels by contacting Gina Goodwin at (703) 440-1534. If we cancel the sale, we will try to notify all interested parties in advance.
9. **Payment:** You cannot withdraw your bid; it is a legally binding commitment to sign the lease bid form; accept the lease; and pay on the day of the auction the bonus bid, the first year's rent, and an administrative fee. The bonus bid is a deposit of at least \$2.00 per acre or fraction thereof. The first year's rent is \$1.50 per acre or fraction thereof. The administrative fee is \$75 per parcel.

You must pay minimum bonus, first year's rental and administrative fee by 4:30 p.m., at the Eastern States accounting office. You may pay the entire amount of your bid on the day of the auction, but if you don't, you must pay the balance by July 25, 2002, which is the 10<sup>th</sup> working day following the auction. If you don't pay in full by this date, you forfeit the right

to the lease and all money you have paid us. If you forfeit a parcel, we may offer it for sale at a later auction.

10. **Form of payment:** You can pay by personal check, certified check, money order, or credit card (VISA, MASTERCARD, AMERICAN EXPRESS, OR DISCOVER). Make a check payable to: **Department of the Interior–BLM**. We don't accept cash. If a check you have sent us in the past has bounced (been returned for insufficient funds), we will require that you give us a guaranteed payment, such as a certified check.

11. **Bid form:** Successful bidders must submit a signed competitive lease bid form (Form 3000-2, Oct. 1989) with their payment on the day of the auction. This form is a legally binding offer by a prospective lessee to accept a lease and all applicable terms and conditions. We recommend you get the form and complete part of it before the auction, leaving part to be filled out at the auction. Your completed bid form certifies that you are qualified to be a lessee under our regulations at 43 CFR Part 12 and Subpart 3102.5-2. It also certifies that you comply with 18 U.S.C. 1860, a law prohibiting unlawful combinations, intimidation of or collusion among bidders.
12. **Issuance of a lease:** We (the BLM) will issue your lease within 60 days of the sale date by signing the lease form provided you have paid your fees and rent. The effective date of a lease is the first day of the month following the month in which we sign the lease. We can make it effective the first day of the month in which we sign it, if we receive your written request before we sign the lease.

### **How do I file a noncompetitive pre-sale offer?**

Under our regulations at 43 CFR 3110.1(a), you can file a noncompetitive pre-sale offer for lands that –

13. are available,
14. have not been under lease during the previous one-year period; or
15. have not been included in a competitive lease sale within the previous two-year period.

If no bid is received on them, your pre-sale offer gives you priority over any offer filed after the auction. In the list of parcels attached to this notice, we have used an asterisk to mark any parcel that has a pending pre-sale offer. By filing a pre-sale offer, you are consenting to all terms and conditions of the lease, including any stipulations for listed on the attachment to this notice.

To file a pre-sale offer, you must send us --:

16. a standard lease form (Form 3100-11, June 1988 or later edition), which is properly filled out, as required by the regulations under 43 CFR 3110. (**Note: You must copy both sides of the form on one page. If you copy the form on 2 pages, we will reject your offer. We will also reject offers on obsolete lease forms.**);
17. the first year's advance rent in the amount of \$1.50 per acre or fraction thereof; and
18. a nonrefundable administrative fee in the amount of \$75.

NOTE: You cannot file a pre-sale offer for any lands included in the parcel list attached to this notice.

**How do I file a noncompetitive offer after the auction?**

You may be able to get a noncompetitive lease for a parcel we offered if –

19. we did not withdraw it from the sale;
20. it did not receive a bid; and
21. it does not have a noncompetitive pre-sale offer pending.

Parcels that meet all these criteria are available on a first-come, first-served basis for two years from the date of the auction. If you want to file a noncompetitive offer for an unsold parcel immediately after the sale or on the next business day, give us the items listed above under pre-sale offers in a sealed envelope marked “Noncompetitive Offer.” We will provide drop boxes at the auction and at the Eastern States accounting office. We consider all noncompetitive offers that we receive on the day of the sale and the first business day after the sale as filed at the same time (simultaneously). Where an unsold parcel receives more than one simultaneous filing, we will hold a public drawing to determine who will get the lease.

**When is the next sale scheduled?**

The next sale is tentatively scheduled for September 19, 2002.

**Who should I contact if I have a question?**

For more information, contact Gina Goodwin at (703) 440-1534.

*/s/ Ida V. Doup*

Ida V. Doup  
Chief, Branch of Use Authorization  
Division of Resources Planning, Use  
and Protection

**ES-001-07/02 ALES 51518 ACQ**

Alabama, Escambia County, Conecuh N.F.  
T2N, R13E, St. Stephens Meridian  
Sec. 13, S2NW.  
80.00 Acres  
\$120.00 Rental  
Subject to F.S. Lease Notice No. 3 and 4

**ES-002-07/02 ALES 51519 ACQ**

Alabama, Escambia County, Conecuh N.F.  
T2N, R13E, St. Stephens Meridian  
Sec. 23, All.  
638.48 Acres  
\$958.50 Rental  
Subject to F.S. Lease Notice No. 3 and 4

**ES-003-07/02 ALES 51520 ACQ**

Alabama, Escambia County, Conecuh N.F.  
T2N, R13E, St. Stephens Meridian  
Sec. 24, W2, N2NE, SENE, SE.  
588.30 Acres  
\$883.50 Rental  
Subject to F.S. Lease Notice No. 3 and 4

**ES-004-07/02 ALES 51521 ACQ**

Alabama, Escambia County, Conecuh N.F.  
T2N, R13E, St. Stephens Meridian  
Sec. 25, All.  
629.60 Acres  
\$945.00 Rental  
Subject to F.S. Lease Notice No. 3 and 4

**ES-005-07/02 ALES 51522 ACQ**

Alabama, Covington County, Conecuh N.F.  
T1N, R14E, St. Stephens Meridian  
Sec. 15, W2NW, SW, W2SE, N2NESE, E2NE, NWNE less 5.86 acres;  
Sec. 22, NW, NWNE, S2NE.  
736.40 Acres  
\$1,105.50 Rental  
Subject to F.S. Lease Notice No. 3 and 4

**ES-006-07/02 ALES 51523 ACQ**

Alabama, Covington County, Conecuh N.F.

T2N, R14E, St. Stephens Meridian

Sec. 19, W2, NE, S2SE, NWSE.

600.68 Acres

\$901.50 Rental

Subject to F.S. Lease Notice No. 3 and 4

**LEASE NOTICE NO. 3**

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the correct Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

**LEASE NOTICE NO. 4**

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Further information concerning the classification of these lands may be obtained from the authorized Forest office.

All activities within these areas must be conducted in a manner to minimize adverse impacts to the resource values and in accordance with the Forest Land and Resource Management Plan guidelines.

**STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM  
UNDER JURISDICTION OF DEPARTMENT OF AGRICULTURE**

The licensee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor, National Forests in Alabama  
1765 Highland Avenue  
Montgomery, Alabama 36107  
Telephone Number: (205) 832-4470

who is the authorized representative of the Secretary of Agriculture.

**ES-007-07/02 ARES 51524 ACQ \*ARES 49266**

Arkansas, Yell County, COE (Blue Mountain Lake)

T5N, R25W, 5<sup>th</sup> Principal Meridian

Sec. 7, SENE, NESWNE, S2SEWSE, NESE, SWNWSW, S2S2 , Part Tract 97 lying in NWNWSW and SWSWNW;

Sec. 8, NENE, S2N2, S2S2NWNE, S2S2NENW, N2SWNENW, S2NWNW;

T5N, R26W, 5<sup>th</sup> Principal Meridian

Sec. 10, S2NE less cemetery in S2NENESENE, S2SESW, SWSWSWSW, S2NESESWSW, E2SE, S2SWSE;

Sec 11, SWNW, SW, W2NESE, W2SE, S2S2SESE;

Sec.12, W2SWNENE, E2E2NESWNE, W2SENE, SESENE; N2NESE, SENESE, S2SESE, E2SESE, S2SWSWSW;

1,078.460 Acres

\$1,618.50 Rental

**ES-008-07/02 ARES 51525 ACQ \*ARES 49267**

Arkansas, Logan County, COE (Blue Mountain Lake)

T5N, R26W, 5<sup>th</sup> Principal Meridian

Sec. 6, N2NENE, NWNE, E2NW, S2SEWNNW, N2NESWNNW, SENWSWNNW, SENESWNNW, W2SESWNNW, Part of Tract 162 lying in W2W2NE, Part of Tract 162 and 163 lying in SW, SESESESE;

Sec. 7, All of Section less NWNWNENE;

Sec. 8, S2;

Sec. 9, SWNWSW, W2SEWWSW.

T5N, R27W, 5<sup>th</sup> Principal Meridian

Sec. 1, E2E2SE, SWSESE, SESWSE;

Sec. 11, S2SE less .5 acres, E2SESENE, NESESW, E2NWSESW, NESESESW;

Sec. 12, NE, S2NENW, Tract 195 lying in W2NW, Part Tract 196 lying in SWSWNNW, S2. 2448.82 Acres

\$3,673.50 Rental

**ES-009-07/02 ARES 51526 ACQ**

Arkansas, Yell & Logan Counties, COE (Blue Mountain Lake)

T5N, R25W, 5<sup>th</sup> Principal Meridian

Sec. 18, All;

Sec. 20, N2NESWNNW.

627.77Acres

\$942.00 Rental

**ES-010-07/02 ARES 51527 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)

T5N, R26W, 5<sup>th</sup> Principal Meridian

Sec. 5, All Tract 148 lying in SWSWSW;

Sec. 13, All;

Sec. 14, All.

1,290.00 Acres

\$1,935.00 Rental

**ES-011-07/02 ARES 51528 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)

T5N, R26W, 5<sup>th</sup> Principal Meridian

Sec. 15, NE, Tract 118 lying in E2NW, Tract 117 lying in W2NESESENW;

Sec. 16, W2W2NW, S2SENWNW, SW, Part Tract 238 lying in SENW, Part Tract 238 lying in N2NE, W2SW, S2SESW, S2S2SE.

512.50 Acres

\$769.50 Rental

**ES-012-07/02 ARES 51529 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)

T5N,R26W, 5<sup>th</sup> Principal Meridian

Sec. 17, All;

Sec. 18, All.

1,295.53 Acres

\$1,944.00 Rental

**ES-013-07/02 ARES 51530 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)

T5N,R26W, 5<sup>th</sup> Principal Meridian

Sec. 19, NE less Part of the S2SWSSENW, NW, Part Tract 176A lying in NESW, Part Tract 179 lying in W2SW, N2NWNWSE.

436.43 Acres

\$655.50 Rental

**ES-014-07/02 ARES 51531 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)

T5N,R26W, 5<sup>th</sup> Principal Meridian

Sec. 20, NE, N2NW,N2SWNW, Triangle in NESESWNW, NWSWSWNW;

Sec. 21, N2, E2NESW, E2NWNESW, SWNESW, NWSW, N2NWSWSW, Part Tract 138 lying in E2E2SWSW.

872.25 Acres

\$1,309.50 Rental

**ES-015-07/02 ARES 51532 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)

T5N, R26W, 5<sup>th</sup> Principal Meridian

Sec. 22, All.  
640.00 Acres  
\$960.00 Rental

**ES-016-07/02 ARES 51533 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)  
T5N, R26W, 5<sup>th</sup> Principal Meridian  
Sec. 23, N2, N2S2, N2N2SWSW, N2SESW, N2SWSE, NWSESE;  
Sec. 24, NE, N2NW, W2SWNW, NESENE, N2NWNWSW, N2N2SWSE, Tract 79 in  
W2SESE.  
915.00 Acres  
\$1,372.50 Rental

**ES-017-07/02 ARES 51534 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)  
T5N, R26W, 5<sup>th</sup> Principal Meridian  
Sec. 28, NENE, N2NWNW;  
Sec. 30, Part Tract 179 lying in NWNW, Tract 181, Part of Tract 182, N2N2SWSW.  
316.80 Acres  
\$475.50 Rental

**ES-018-07/02 ARES 51535 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)  
T5N, R27W, 5<sup>th</sup> Principal Meridian  
sec. 2, Tract 211 and Part of Tract 216 lying in N2NW;  
Sec. 3, Tracts 225, 226, Part Tract 227 and 228 lying in N2;  
Sec. 4, E2NE, Tract 230 and 233.  
658.46 Acres  
\$988.50 Rental

**ES-019-07/02 ARES 51536 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)  
T5N, R27W, 5<sup>th</sup> Principal Meridian  
Sec. 13, NE, E2NW, N 30.81 Acres in NWNW, Tract 244, E2NESWNW, NESW, SE;  
Sec. 14, NENE.  
527.69 Acres  
\$792.00 Rental

**ES-020-07/02 ARES 51537 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)  
T5N, R27W, 5<sup>th</sup> Principal Meridian  
Sec. 24, E2NE, NENENWNE, S2S2SENE, SWNE, S2NW, NESW, SE;  
Sec. 25, E2NE, NENWNE, S2SWNE, S2S2NW, N2SW, NESESW, N2SE, N2S2SE;  
Sec. 26, S2NWNW, SENE, E4NESE, A parcel in the NW corner of SWNE described as

beginning at the NW corner of SWNE thence South 8.5 chains, thence in a northeasterly direction 14.7 chains to the North line of SWNE, thence W. 11 chains to the place of beginning, and a parcel of land in the NE corner of SWNE described as beginning at a point on the North line of SWNE lying 7 chains West of the NE corner of SWNE, thence East 7 Chains, thence South on the East line of SWNE 4 chains, thence in a northeasterly direction to the point of beginning.

882.730 Acres

\$1,324.50 Rental

**ES-021-07/02 ARES 51538 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)

T6N, R26W, 5<sup>th</sup> Principal Meridian

Sec. 29, S2SWNE, S2SESENW, Part of Tracts lying in 153 and 156 in NESW, Part of Tract 153 lying in W2SW;

Sec. 31, SENE, Part of Tracts 151, 152, 152B, and 240 lying in NENE, Part of Tract 159 lying in SWNE, NENESW, W2NWSW, S2SW, SE;

Sec. 32, Part of Tracts 248, 152B, 240, 151 lying in N2N2; W2NESWNWW, S2SWNW, NWNESW, N2NWSW, SWNWSW, W2SENWSW, NWSWSW.

Acres

Rental

**ES-022-07/02 ARES 51539 ACQ**

Arkansas, Logan County, COE (Blue Mountain Lake)

T6N, R27W, 5<sup>th</sup> Principal Meridian

Sec. 25, Part of Tracts 203 and 204 in SWSW.

Sec. 34, Part of Tract 228 in S2S2SENE, SENESW, SESW, Part of Tracts 227 and 228 in N2SE, S2SE;

Sec. 35, Tracts 245 and 202 lying in the W2NE; Tracts 210, 246 and part of Tract 211 in the W2NW, S2;

Sec. 36, All that part of the S2NE lying South of the Railroad Right of Way, Part Tract 245 lying in Part of the NWNW, SWNW, All that part of the SENW lying South of the Railroad Right of Way, N2SW, N2SWSW, N2S2SWSW, SESW, SE.

Acres

Rental

**ES-023-07/02 ARES 51540 PD**

Arkansas, Scott County, Ouachita N.F.

T1N, R30W, 5<sup>th</sup> Principal Meridian

Sec. 25, SE.

160.00 Acres

\$240.00 Rental

Subject to F.S. Lease Notice No. 4

**LEASE NOTICE NO. 4 (Ouachita N.F.)**

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.27(e) and the National Forest Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Further information concerning the classification and management of these lands may be obtained from the authorized Forest Officer.

**STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM  
UNDER THE JURISDICTION OF DEPARTMENT OF AGRICULTURE**

The lessee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor, Ouachita National Forest  
P.O. Box 1270  
The Federal Building  
100 Reserve  
Hot Springs, Arkansas 71902  
Phone Number: 501-321-5202

BLM Field Office  
Jackson Field Office  
411 Briarwood Drive, Suite 404  
Jackson, Mississippi 39206

Surface Management Agency  
USDA, Forest Service (Region 8)  
Room 792 South, Lands and Minerals  
1720 Peachtree Road, N.W.  
Atlanta, Georgia 30367

**ES-024-07/02 ARES 51541 PD**

Arkansas, Sebastian County, BLM

T4N, R32W, 5<sup>th</sup> Principal Meridian

Sec. 7, NWSW.

40.00 Acres

\$60.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

**BLM NO SURFACE OR SUBSURFACE OCCUPANCY STIPULATION**

This parcel was nominated for leasing on the premise that development of the State spacing would occur so that any well drilled or associated surface use would not be located on the Federal lands described below. Such a nomination is referred to by the Bureau of Land Management as a “NOL” nomination; i.e., a “no occupancy lease” nomination. With such a NOL nomination to consider, the Bureau of Land Management prepares its environmental assessment (EA) based on a Proposed Action of “no occupancy (surface or subsurface)”.

Therefore, for the lands within this lease, “No Occupancy (surface or sub-surface)” is allowed under the terms of this lease.

Waiver: None.

Exception: None.

Modification: None.

This lease does not obviate the need to obtain other Federal, State or local authorization required by law for any wells drilled or for any related surface disturbance that is proposed on lands pooled with those lands within this lease.

**ES-025-07/02 KYES 51542 ACQ \*KYES 41931**

Kentucky, Knott County, COE (Carr Fork Lake)

Tracts 100-132

Tract 103C

Tract 106C

Tract 136C-1

Tract 136C-2

Tracts 136-146

Tracts 182-184

635.53 Acres

\$954.00 Rental

Subject to COE Stipulations

**ES-026-07/02 KYES 51543 ACQ \*KYES 41931**

Kentucky, Knott County, COE (Carr Fork Lake)

Tracts 200-211

Tracts 213-228

Tract 230

Tract 231

Tract 231-2

170.04 Acres

\$256.50 Rental

Subject to COE Stipulations

**ES-027-07/02 KYES 51544 ACQ \*KYES 41931**

Kentucky, Knott County, COE (Carr Fork Lake)

Tracts 300-331

Tract 300C

Tract 309C

Tracts 333-339

Tract 340-1

Tract 341

425.02 Acres

639.00 Rental

Subject to COE Stipulations

**ES-028-07/02 KYES 51543 ACQ \*KYES 41931**

Kentucky, Knott County, COE (Carr Fork Lake)

Tract 400

Tracts 404-437

Tracts 439-447

Tracts 457-466

Tract 458-C

Tract 469

Tracts 471-476

Tract 478

Tract 479

699.97 Acres

1,050.00 Rental

Subject to COE Stipulations

**ES-029-07/02 KYES 51544 ACQ \*KYES 41931**

Kentucky, Knott County, COE (Carr Fork Lake)

Tracts 500-517

Tract 518-1

Tract 518-2

Tracts 519-554

Tract 524-C

Tract 534-C

Tract 536-C

Tract 541-2

Tract 557-564

Tract 560-C1

Tract 560-C2

Tract 565-1

Tract 565-2

Tracts 566-582

Tracts 587-590

Tracts 592-598

498.28 Acres

748.50 Rental

Subject to COE Stipulations

**ES-030-07/02 KYES 51545 ACQ \*KYES 41931**

Kentucky, Knott County, COE (Carr Fork Lake)

Tracts 600-607

Tracts 609-629

Tract 639C

Tracts 630-637

Tracts 639-653

Tract 655

Tract 657-660

Tract 671

Tract 680

Tract 681

Tracts 683-691

Tracts 694-697

301.51 Acres

453.00 Rental

Subject to COE Stipulations

**ES-031-07/02 KYES 51546 ACQ \*KYES 41931**

Kentucky, Knott County, COE (Carr Fork Lake)

Tracts 700-708

Tracts 712-713

Tract 714-1

Tact 714-2

Tracts 715-728

Tracts 730-734

Tract 734C

Tracts 735-745

Tract 749C

Tract 750

Tract 750C

Tract 751

Tract 752C

Tracts 753-759

680.88 Acres

1,021.50 Rental

Subject to COE Stipulations

**ES-032-07/02 KYES 51547 ACQ \*KYES 41931**

Kentucky, Knott County, COE (Carr Fork Lake)

Tract 813

Tract 816

Tract 818

Tract 819-1

Tract 819-2

Tract 820

Tract 821

Tracts 823-837

Tract 837C

Tracts 838-841

Tract 843

Tract 844

Tract 844C

Tract 847

Tract 849

Tract 850

Tract 850C

Tract 857

Tracts 859-867

Tract 869-1

Tract 869-2

Tract 875

Tracts 900-902

503.40 Acres

756.00 Rental

Subject to COE Stipulations

**DEPARTMENT OF THE ARMY U.S. ARMY ENGINEER DISTRICT, LOUISVILLE  
CORPS OF ENGINEERS P.O. BOX 59 LOUISVILLE, KENTUCKY 40201-0059**

The special leasehold stipulations set forth herein were drafted for the protection of the Carr Fork Lake Project and shall be made a part of parcels ES-025-07/02 KYES 51542 thru ES-032-07/02-KYES 51547. The referenced stipulations are as follows:

a. Lessees acknowledge and agree that the demised premises are located within the boundary of the Carr Fork Lake Project and that the United States Army Corps of Engineers is the surface managing agency responsible for the operation and management of the referenced civil works project. Carr Fork Lake Project shall be hereinafter referred to as the subject project. All references to the lessees in these lease stipulations shall include the lessees and their duly authorized and designated operator or contractor.

b. Lessees acknowledge and agree that all surface and/or subsurface oil and gas leasing and drilling operations on and/or under the demised premises are subject to the approval of the Bureau of Land Management and the United States Army Corps of Engineers. The District Engineer, United States Army Corps of Engineers, Louisville District (hereinafter referred to as the District Engineer) shall have the right to review, comment upon, and approve all oil and gas drilling and operations plans submitted by the lessees for approval pursuant to the applicable rules, regulations, and orders of the Bureau of Land Management. Upon review of the referenced plans and all environmental records, assessments, or impact statements, the District Engineer shall have the right to impose additional lease stipulations for the protection of the subject project. All references to the District Engineer in these lease stipulations shall include the District Engineer, United States Army Corps of Engineers, Louisville District and his/her authorized representatives. In addition, all references to oil and gas drilling operations in these lease stipulations shall include all surface and/or subsurface oil and gas leasing and drilling operations on and/or under the demised premises, or within the subject project, including, but not limited to, access roads, drillpads, storage facilities, and transmission facilities.

c. Lessees shall conduct their surface and/or subsurface oil and gas drilling operations on and/or under the demised premises pursuant to (1) all applicable laws, rules, and regulations of the United States of America, Commonwealth of Kentucky, and local units of government; (2) the terms, conditions, and agreements as set forth in this leasehold agreement; (3) these lease stipulations which shall be attached to and made a part of this leasehold agreement; (4) all other additional lease stipulations which shall be made a part of this leasehold agreement by the authorized officer administering this leasehold agreement for and on behalf of the Bureau of Land Management; (5) all other additional lease stipulations which shall be made a part of this leasehold agreement by the District Engineer pursuant to the rights reserved in these lease stipulations; (6) the Secretary of the Interior's regulations and formal orders (including, but not limited to, the mineral management regulations and oil and gas leasing regulations published in 43 C.F.R. 3000, 43 C.F.R. 3100, 43 C.F.R. 3110, and 43 C.F.R. 3160) in effect as of the date of the execution of this leasehold agreement; and, (7) the Secretary of the Interior's regulations and formal orders promulgated after the date of the execution of this leasehold agreement when not inconsistent with the specific provisions of this leasehold agreement.

d. Lessees shall conduct their surface and/or subsurface oil and gas drilling operations on and/or under the demised premises in a manner which will protect life and property; the environmental quality (including, but not limited to, air, surface and ground water, and soil) of the subject project; the aesthetic quality of the subject project; the natural, cultural, historical, archaeological, and scientific resources of the subject project; the fish and wildlife populations and habitat within the subject project; and threatened or endangered species, if any, within the subject project. In addition, lessees shall conduct their oil and gas drilling operations in a manner which will result in the maximum ultimate recovery of oil and gas with minimum waste, and with minimum adverse effect on the ultimate recovery of the other mineral resources in the subject project.

e. Lessees shall not commence an oil and gas drilling operation without first submitting an Application For Permit To Drill to the proper Bureau of Land Management office. The District Engineer shall have the right to review, comment upon, and approve the oil and gas drilling and operations plan submitted with each referenced application. The authorized officer shall not approve an Application For Permit To Drill without the prior written approval of the District Engineer. All Applications For Permits to Drill Shall be subject to the right of the District Engineer to impose additional lease stipulations for the protection of the subject project. All additional lease stipulations shall be imposed for the protection of the subject project, and may include, but shall not be limited to, stipulations to protect life and property; stipulations to protect the environmental quality (including, but not limited to, air, surface and ground water, and soil) of the subject project; stipulations to protect the aesthetic quality of the subject project; stipulations to protect the natural, cultural, historical, archaeological, and scientific resources of the subject project; stipulations to protect the fish and wildlife populations and habitat within the subject project; stipulations to protect threatened or endangered species, if any, within the subject project; stipulations governing directional/slant drilling (including, but not limited to, minimum depth requirements) plans, procedures, and safety requirements; stipulations governing the location, construction, and maintenance of access roads, drillpads, storage facilities, and transmission facilities; stipulations governing the control of soil erosion and sedimentation; stipulations governing safety and drill site security; stipulations governing fire prevention and protection; stipulations governing the containment and disposal of waste materials; stipulations governing the disposal of access road and drillpad clearing debris, and merchantable timber; stipulations governing the use of communication and transportation facilities within the subject project; stipulations governing access road and bridge maintenance within the subject project; stipulations governing the construction and control of oil and gas wells; stipulations governing the protection of boundary line monumentation within the subject project; and stipulations governing the plans and procedures for the reclamation of the surface of the demised premises. Steepness of terrain, shallow soil conditions and paramount concern for water quality will severely limit locations acceptable to the District Engineer for access roads, drill sites and pipelines.

f. The Secretary of the United States Department of the Army or his designee reserves the right to require cessation of operations in a national emergency or if the United States- Department of the Army needs the demised premises for a use incompatible with lease operations. On approval by higher authority, the District Engineer will notify the lessees in writing or, if time permits, request the Bureau of Land Management to notify the lessees. The lessees acknowledge and agree that the rights granted by this lease do not include the period of any such cessation, and the United States of America has no obligation to compensate the lessees for damages or contractual losses resulting from the exercise of this stipulation. The lessees shall include this stipulation in contracts with third parties to supply oil and gas. This stipulation shall not affect the lessee's right to seek suspension of the lease term from the Bureau of Land Management.

g. If the District Engineer finds an imminent danger to safety, security, or significant environmental values for which there is no time to consult with the Bureau of Land Management, he/she may order an immediate stop of such activities. The State Director of the Bureau of Land Management will be notified immediately to determine the need for further remedial action.

h. Prior to commencement of an oil and gas drilling operation, the lessees shall provide an environmental plan covering all possible risks of contamination to the subject project and the Carr Fork Lake. This plan shall specifically include a plan to protect water quality during periods of flooding or high water.

i. Before beginning operations, lessees must provide in writing to the District Engineer the names, addresses and telephone numbers of responsible key individuals involved in development, drilling, restoration and routine operations who may be contacted to answer questions or respond promptly to problems.

j. Lessees shall immediately stop work if contamination of any kind is found in the oil and gas drilling operations area or within the subject project, and shall request that the District Engineer provide assistance in dealing with the contamination.

k. Lessees liability for damage to improvements shall include all improvements of the Department of Defense.

l. Prior to commencement of an oil and gas drilling operation, the lessees shall consult with any third parties authorized to use the demised premises and take into consideration the programs for which the third party grantees have contractual responsibility.

m. Lessees acknowledge and agree that the United States of America does not warrant the ownership of, and will not defend the title to the oil and gas deposits, if any, underlying the demised premises.

n. Lessees acknowledge and agree that the rights granted under this leasehold agreement are subordinate to the right of the United States of America to flood the demised premises in connection with the operation and management of the subject - project. Lessees shall not interfere with the full and free use by the public of the water areas of the project.

o. Lessees shall not pollute the air, surface and ground water, and soil within the subject project. Lessees shall fully comply with all applicable environmental protection laws, rules, and regulations for the protection of the air, surface and ground water, and soil) of the United States of America, Commonwealth of Kentucky, and local units of government. Waste material (including, but not limited to, water, mud, drilling fluid, oil, or fuel) and salt water produced with oil shall be stored, and shall be disposed of pursuant to waste material storage and disposal plans, procedures, and safety requirements established and approved by the District Engineer. Clearing debris may be burned, if authorized by State and local regulations, at sites approved by the Park Manager of Carr Fork Lake. If not burned, it must be removed from Government land. Waste materials must be placed in containers which are emptied in a timely manner and are hauled to landfill sites operated in accordance with State and local regulations. No storage tanks will be placed below elevation 1060 feet, mean sea level. Lessees shall maintain all internal combustion engines in good repair and working order. All internal combustion engines shall be properly muffled to prevent noise pollution.

p. Lessees shall control soil erosion and sedimentation upon the demised premises. Water runoff diversion ditches shall be used to protect disturbed surface areas, and all water runoff from disturbed surface areas shall pass through sediment removal/control structures. All sediment removal/control structures shall be designed and maintained pursuant to the surface coal mining regulations of the Commonwealth of Kentucky. Lessees acknowledge and agree that no drilling will be permitted on slopes in excess of 15 percent.

q. The United States of America shall have the right to use the demised premises jointly with the lessees; to sell and convey all or part of the demised premises; to continue to manage and administer existing easements, leases, licenses, permits, and other outgrants for the permanent or temporary use of the demised premises; and to grant future easements, leases, licenses, permits, and other outgrants for the permanent or temporary use of the demised premises. This leasehold agreement is subject to all existing easements, leases, licenses, permits, and other outgrants (recorded or unrecorded) for the permanent or temporary use of the demised premises. Lessees shall have no claim for compensation or damages from the United States of America, or from any outgrant holder (existing or future) referred to in this paragraph. The District Engineer will coordinate all future easements, leases, licenses, permits, and other outgrants for the permanent or temporary use of the demised premises with the authorized officer administering this leasehold agreement for and on behalf of the Bureau of Land Management.

r. Lessees agree to reimburse the United States of America for all costs incurred by the United States Department of the Army, Corps of Engineers, for the administration of this lease- hold agreement, and for any and all assistance provided to the lessees.

s. The United States of America shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the leasehold rights herein granted, or for damages to the property of the lessees, or for damages to the property or injuries to the person of any lessee, lessees' officers, operators, contractors, agents, servants, or employees or others who may be on the demised premises at their invitation or the invitation of any one of them, arising from or incident to the flooding of the demised premises by the United States of America or flooding from any other cause, or arising from or incident to any other governmental activities. In addition, the lessees shall save and hold the United States of America free from all damages (damages to property or injury to persons or for any other damages from any cause whatsoever) arising from their oil and gas drilling operations within the subject project.

t. Lessees shall be liable and monetarily responsible for all property damages (damages to the real or personal property of the United States of America within the subject project and damages to the real or personal property of all easement, lease license, permit, or other outgrant holders within the subject project) arising from their oil and gas drilling operations within the subject project. The District Engineer shall supervise the repair or replacement of any and all property damaged by the lessees within the subject project. Lessees shall submit evidence of financial responsibility to the United States of America, or shall purchase property damage insurance in the amount of not less than One Million Dollars (\$1,000,000.00).

u. Lessees shall be liable and monetarily responsible for all damages to the environment (including, but not limited to, air, surface and ground water, and soil) within the subject project; damages to the aesthetic quality of the subject project; damages to the natural, cultural, historical, archeological, and scientific resources within the subject project; and damages to the fish and wildlife populations and habitat within the subject project. The District Engineer shall supervise the cleanup and/or reclamation of all environmental damages within the subject project. Lessees shall submit evidence of financial responsibility to the United States of America, or shall purchase property damage insurance in the amount of not less than One Million Dollars (\$1,000,000.00).

v. The District Engineer, without advance notice, shall have the right to enter upon, travel across, and inspect all oil and gas drilling operations on the demised premises. The referenced inspection shall include the right to inspect all records kept and maintained by the lessees on each drill site.

w. Lessees shall not conduct surface oil and gas drilling operations below flood pool contours of elevation 1060 feet. Lessees shall not conduct surface oil and gas drilling operations within any planned or developed recreation areas.

x. Lessees covenant and agree (1) that no oil and gas drilling operations shall occur or be located within four hundred (400) feet of a sink, sink hole, cave opening, lake, pond, or other body of water located upon the demised premises or within the subject project; (2) that no oil and gas drilling operations shall occur or be located within four hundred (400) feet of a drainageway, tributary, lake, pond, or other body of water located upon the demised premises or within the subject project; (3) that no oil and gas drilling operations shall occur or be located within four

hundred (400) feet of a public access road or other road right-of-way located upon the demised premises or within the subject project; (4) that no oil and gas drilling discharge of any kind (including, but not limited to, water, salt water, mud, drilling fluid, oil, or fuel) shall be released into a drainageway or tributary leading to a sink, sink hole, cave opening, lake, pond, or other body of water located upon the demised premises or within the subject project; (5) that no hazardous or toxic materials shall be stored on the demised premises; (6) that no fill of any kind shall be placed in a sink, sink hole, or cave opening located upon the demised premises or within the subject project; and (7) that no fill of any kind shall be placed into a drainageway or tributary leading to a sink, sink hole, cave opening, lake, pond, or other body of water located upon the demised premises or within the subject project.

y. Surface occupancy within 2,000 feet of a major civil works structure is prohibited, and there shall be no directional drilling into this prohibited area.

z. Lessees acknowledge and agree that there shall be no unreasonable interference with navigation by the exercise of the privileges hereby granted. Platform drilling over water areas is prohibited.

aa. Lessees acknowledge and agree that no structure or appurtenance thereto shall be made of a material or construction determined to create floatable debris.

bb. If oil and gas activity results in the deposit of fill material, i.e., levees, berms, or drilling mud, in a wetland, then a 404 permit must be obtained by the lessees prior to the commencement of drilling activities.

cc. Lessees acknowledge and agree that, to maintain aesthetic values, all semi-permanent and permanent facilities will be painted or camouflaged to blend with the natural surroundings.

dd. After all drilling activities are completed and the well is put into production, the area will be protected to prevent unauthorized personnel from entry. Depending upon the location, this will require either an 8-foot climb-proof chain link fence, a 5-strand barbed wire fence, or a cattle guard and locked steel gate. This determination will be made by the District Engineer at the time the permit is issued.

ee. After completion of drilling operations, the lessees will remove all drilling equipment and debris from the site. Facilities not required for production, such as roads, dikes, pits, drilling, work area, foundations, structures, etc., will be razed and removed. Restoration to original contours is not required; however, excavation and filling will be required to restore the area to near natural conditions. Disturbed areas shall be disked, graded, and filled as required, topsoil spread to a depth of six inches over the entire area and the entire disturbed area sprigged, seeded, or sodded. The lessees will maintain the area free of erosion until the vegetative cover is reestablished.

ff. Lessees shall not conduct surface oil and gas drilling operations (all oil and gas leasing and drilling operations, including, but not limited to, access roads, drillpads, storage facilities, and transmission facilities) within the described project operational and recreational (Concession and Corps- operated) areas as shown on Exhibit "G".

**ES-033-07/02 LAES 51548 PD**

Louisiana, Lincoln Parish, BLM  
T17N, R4W, Louisiana Meridian  
Sec. 9, E2NW.

80.00 Acres

\$120.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

**ES-034-07/02 LAES 51549 ACQ**

Louisiana, Bossier Parish, COE (Loggy Bayou Mitigation Area)

T15N, R11W, Louisiana Meridian

Sec. 11, All of that part of Lot 2 and all of that part of Lot 12 lying East of  
Red Chute Bayou (27.00 acres);

Sec. 12, South 30 acres of the SENE (30.00 acres), Lots 9, 10, 13 and 14 (99.36 acres),  
E2NE, E2NWNE, that portion of the W2NWNE lying North and East of a line  
running from the NW corner of the W2NWNE to the SE corner of the SWNE,  
less and except the South thirty acres of the SENE (84.00 acres), E2SE (80.00 acres);

Sec. 13, E2NE (80.00 acres), a 10.00 acres island in the S2SE, being bordered on the South by  
land owned or formerly owned by W.L. Whitehurst and on the North by land owned or  
formerly owned by J.L. Adams (10.00 acres);

Sec. 24, Lots 1, 11, 12, and 20 (127.00 acres).

537.36 Acres

\$807.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

**ES-035-07/02 LAES 51550 PD \*LAES 51143**

Louisiana, DeSoto Parish, BLM

T11N, R13W, Louisiana Meridian

Sec. 2, SESW, SWSE.

80.00 Acres

\$90.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

### **BLM NO SURFACE OR SUBSURFACE OCCUPANCY STIPULATION**

This parcel was nominated for leasing on the premise that development of the State spacing would occur so that any well drilled or associated surface use would not be located on the Federal lands described below. Such a nomination is referred to by the Bureau of Land Management as a “NOL” nomination; i.e., a “no occupancy lease” nomination. With such a NOL nomination to consider, the Bureau of Land Management prepares its environmental assessment (EA) based on a Proposed Action of “no occupancy (surface or subsurface)”.

Therefore, for the lands within this lease, “No Occupancy (surface or sub-surface)” is allowed under the terms of this lease.

Waiver: None

Exception: None.

Modification: None.

This lease does not obviate the need to obtain other Federal, State or local authorization required by law for any wells drilled or for any related surface disturbance that is proposed on lands pooled with those lands within this lease.

**ES 036-07/02 LAES 51551 ACQ**

Louisiana, Claiborne/Webster Parish, Kisatchie N.F.

T20N, R8W, Louisiana Meridian

Sec. 17, S2SWNW, SENW, SESW except that portion beginning at the SE corner of the SESW, Sec. 17, thence N. 478 feet; thence S. 30" W. 560 feet to the S. Line of Sec. 17; thence along the S. section line N. 89.40" E. 280 feet to the point of beginning; SE Corner W of Road 800;

Sec. 18, S2S2S2NE, SE;

Sec. 19, NENE, S2SE;

Sec. 30, W2SW.

652.245 Acres

\$979.50 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 2 and F.S. Lease Notice No. 3

**ES 037-07/02 LAES 51552 ACQ \*LAES 050970**

Louisiana, Claiborne and Webster Parish, Kisatchie NF

T20N, R8W, Louisiana Meridian

Sec. 18, SW; (Claiborne)

Sec. 19, W2;

Sec. 30, W2NW;

T20N, R9W, Louisiana Meridian

Sec. 13, E2;

Sec. 24, E2;

Sec. 25, NE.

1313.28 Acres

\$2,971.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 2, and F.S. Lease Notice No. 3

**ES 038-07/02 LAES 51553 ACQ**

Louisiana, Webster Parish, Kisatchie NF

T20N, R9W, Louisiana Meridian

Sec. 2, N2NE;

Sec. 11, NWNE, N2NW;

Sec. 12, SWSE;

Sec. 13, S2SW.

314.82 Acres

\$472.50 Rental

Subject to Controlled Surface Use Stipulation No1, Controlled Surface Use Stipulation No. 2 and Lease Notice No. 3

**ES 039- 07/02 LAES 51554 ACQ**

Louisiana, Webster Parish, Kisatchie N.F.

T20N, R9W, Louisiana Meridian

Sec. 23, SENE, NESE, SESE;

Sec. 24, E2NW, SWNW less .71 acre for the Newsom Cemetery in NE corner; SW,

Sec. 25, NW;

Sec. 26, NENE;

Sec. 34, N2SW, SENW;

Sec. 35, SWNE, NWSE, S2SE.

914.69 Acres

\$1,372.50 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 1, Controlled Surface Use

Stipulation No. 2, Controlled Surface Use Stipulation No. 2a and Lease Notice

No. 3

**CONTROLLED SURFACE USE STIPULATION #1**

Surface occupancy or use is subject to the following operating constraints.

Placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation are prohibited.

**T20N R8W, Louisiana Meridian**

<u>SECTION</u>	<u>ACRES</u>
17	195.8
18	210.2
19	205.5
30	182.9

For the purpose of:

Streamside Zones

Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

**CONTROLLED SURFACE USE STIPULATION #2**

Surface occupancy or use is subject to the following operating constraints.

Roads and clearing of right-of-way vegetation may occur if a site-specific environmental analysis determines that the mitigated environment effects would not be significant.

**T20N R8W, Louisiana Meridian**

<u>SECTION</u>	<u>ACRES</u>
18	28.3
19	26.4
30	41.5

For the purpose of:

Riparian Zones

Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

**NO SURFACE OCCUPANCY STIPULATION #1**

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

**T20N R9W, Louisiana Meridian**

<u>SECTION</u>	<u>ACRES</u>	<u>LEGAL DESCRIPTION</u>
32	92.6	SE
33	292.4	E/2, SW
34	290.3	S/2N/2, SW, W/2SE

For the purpose of:

Caney Lake Recreation Area

Any changes in this stipulation will be made in accordance with land use plan and/or the regulatory provision for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

**CONTROLLED SURFACE USE STIPULATION #1**

Surface occupancy or use is subject to the following operating constraints.

Placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation are prohibited.

**T20N, R9W, Louisiana Meridian**

<u>SECTION</u>	<u>ACRES</u>	<u>SECTION</u>	<u>ACRES</u>
1	151.0	22	130.9
2	171.2	23	108.4
3	156.7	24	192.5
9	127.2	25	173.7
10	136.3	26	137.2
11	165.2	27	108.9
12	181.0	28	135.8
13	178.9	29	110.7
14	154.4	32	82.3
15	102.6	33	21.6
16	83.3	34	78.0
20	91.5	35	183.8
21	93.3		

For the purpose of:

Streamside Zones

Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

**CONTROLLED SURFACE USE STIPULATION #1a**

Surface occupancy or use is subject to the following operating constraints.

Placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation are prohibited.

**T20N, R9W, Louisiana Meridian**

<u>SECTION</u>	<u>ACRES</u>
9	21.3
16	42.4
20	24.3
21	57.3
27	8.5
28	21.2
29	54.6
32	10.3

For the purpose of:

Riparian Zone Amenity Values

Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

**CONTROLLED SURFACE USE STIPULATION #2**

Surface occupancy or use is subject to the following operating constraints.

Roads and clearing of right-of-way vegetation may occur if a site-specific environmental analysis determines that the mitigated environment effects would not be significant.

**T20N, R9W, Louisiana Meridian**

<u>SECTION</u>	<u>ACRES</u>
1	74.6
3	2.0
9	28.0
10	4.7
12	2.9
14	6.7
15	31.8
16	17.5
21	59.7
22	57.5
24	0.2
25	10.6
26	7.3
27	0.6
34	33.5
35	55.4

For the purpose of:

Riparian Zones

Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

**CONTROLLED SURFACE USE STIPULATION #2a**

Surface occupancy or use is subject to the following operating constraints.

Roads and clearing of right-of-way vegetation may occur if a site-specific environmental analysis determines that the mitigated environment effects would not be significant.

**T20N, R9W, Louisiana Meridian**

<u>SECTION</u>	<u>ACRES</u>
9	4.4
16	310.6
20	550.7
21	226.3
22	36.9
23	76.8
26	51.2
27	388.5
28	483.4
29	470.8
32	482.3
33	347.6
34	72.2

For the purpose of:

Amenity Values

Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

**KISATCHIE N.F.**

**LEASE NOTICE NO. 3**

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the current Regional Forester's list of sensitive plant and animal species. Further information concerning the classification of these species may be obtained from the authorized Forest officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

**STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM  
UNDER THE JURISDICTION OF DEPARTMENT OF AGRICULTURE**

The lessee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor, Kisatchie National Forest  
P.O. Box 5500  
2500 Shreveport Hwy.  
Pineville, Louisiana 71360  
Phone Number: 318-473-7160

BLM Field Office  
Jackson Field Office  
411 Briarwood Drive, Suite 404  
Jackson, Mississippi 39206

Surface Management Agency  
USDA, Forest Service (Region 8)  
Room 792 South, Lands and Minerals  
1720 Peachtree Road, N.W.  
Atlanta, Georgia 30367

**ES-040-07/02 MIES 51555 PD**

Michigan, Newaygo County, Manistee N.F.

T15N, R12W, Michigan Meridian

Sec. 20, NWNW.

40.00 Acres

\$60.00 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 3, Timing Stipulation No. 1, and Lease Notice Nos. 1 and 3

**ES-041-07/02 MIES 51556 PD**

Michigan, Newaygo County, Manistee N.F.

T20N, R17W, Michigan Meridian

Sec. 1, Lot 8;

Sec. 5, SESW;

Sec. 7, Fractional W1/2SW, NESW;

Sec. 8, SENE, E2SW, NESE, W2SE, S2SWNE;

Sec. 9, SENW, E2SW, SWSE;

Sec. 13, Pt NESE, Pt SESW, Pt SWSW & Pt S2SE;

Sec. 15, SENE, SWSW, S2SE;

Sec. 16, NWNE, S2NE;

Sec. 17, NWNE, S2NE, SENW, N2SW, SESW, W2SWSWSE, N2SESE;

Sec. 20, NE, E2NW, NESW, NWSE;

Sec. 22, N2NE;

Sec. 23, NWNW;

Sec. 26, SWNW;

Sec. 27, S2NE, SE.

1928.53 Acres

\$2,893.50 Rental

Subject to F.S. No Surface Occupancy Stipulation Nos. 2, 3, 4 and 6, Controlled Surface Use Stipulation No. 3, Timing Stipulation No. 1, and Lease Notice Nos. 1 and 3

**ES-042-07/02 MIES 51557 ACQ**

Michigan, Newaygo County, Manistee N.F.

T15N, R12W, Michigan Meridian

Sec. 16, N2NW, E2SW, SESE;

Sec. 17, E2SW;

Sec. 20, SENE, NESE;

Sec. 21, SWNE, NENW, SWNW, NWSW;

Sec. 30, E2NE;

Sec. 35, N2NW, S2NW, W2SW exc. 1 acre SW corner;

Sec. 36, Pt. W2 exc. 6.06 acres ROW;

1152.94 Acres

\$1,729.50 Rental

Subject to F.S. No Surface Occupancy Stipulation Nos. 2, 3, 4 and 5, Timing Stipulation No. 1, and Lease Notice Nos. 1 and 3

**ES-043-07/02 MIES 51558 ACQ**

Michigan, Newaygo County, Manistee N.F.

T15N, R13W, Michigan Meridian

Sec. 5, SWNE, N2SW, SESW, SWSE, Pt. SESE;

Sec. 7, NE, E2NW;

Sec. 8, E2NW, W2W2;

Sec. 11, Pt. NW, Pt. N2SW, SESW;

Sec. 12, Pt. N2NE, E2NW, Pt. W2NW, Pt. E2SW, SE;

Sec. 13, W2NE, N2NW.

1464.69 Acres

\$2,197.50

Subject to F.S. No Surface Occupancy Stipulation Nos. 1, 2, 3 and 3, Timing Stipulation No. 1, and Lease Notice Nos. 1 and 3

**ES-044-07/02 MIES 51559 ACQ**

Michigan, Newaygo County, Manistee N.F.

T15N, R13W, Michigan Meridian

Sec. 14, N2NW;

Sec. 20, SWNE, S2;

Sec. 21, NE, E2SE;

Sec. 22, NE, NESE;

Sec. 24, S2SW;

Sec. 25, N2NE, Pt. N2NW, Pt. SWNW;

Sec. 26, E2NW;

Sec. 27, NE, E2NW, SW, S2SE;

Sec. 36, SESE.

1755.92 Acres

\$2,634.00 Rental

Subject to F.S. No Surface Occupancy Stipulations No. 1, 2, 3, 4 and 5, Timing Stipulation No. 1, and Lease Notice Nos. 1 and 3

**ES-045-07/02 MIES 51560 ACQ \*MIES 49221**

Michigan, Oceana County, Manistee N.F.

T13N, R16W, Michigan Meridian

Sec. 27, SENWSE;

10.00 Acres

\$15.00 Rental

Subject to F.S. Timing Stipulation No. 1 and Lease Notice Nos. 1 and 3

**ES-046-07/02 MIES 51561 PD**

Michigan, Oscoda County, Huron N.F.

T26N, R3E, Michigan Meridian

Sec. 13, W2;

Sec. 14, S2NW, N2SW, SESE;

Sec. 23, N2, SE;

Sec. 24, W2NW, SENW, W1/2SW;

1,200.00 Acres

\$1,800.00 Rental

Subject to F.S. No Surface Occupancy Stipulation Nos. 2 and 4, Timing Stipulation No. 1, and Lease Notice Nos. 1 and 3

**ES-047-07/02 MIES 51562 ACQ**

Michigan, Alcona County, Huron N.F.

T28N, R9E, Michigan Meridian

Sec. 29, All.

640.00 Acres

\$960 Rental

Subject to F.S. No Surface Occupancy Stipulation Nos. 2 and 3, Timing Stipulation No. 1, and Lease Notice Nos. 1 and 3

**ES-048-07/02 MIES 51563 ACQ**

Michigan, Crawford County, Huron N.F.

T25N, R1W, Michigan Meridian

Sec. 8, NESW, NWSE;

Sec. 16, All;

Sec. 17, All.

1,360.00 Acres

\$2,040.00 Rental

Subject to F.S. Timing Stipulation Nos. 1 and 2, No Surface Occupancy Stipulation Nos. 2 and 4, Controlled Surface Use Stipulation Nos. 1, 2 and 4, Lease Notice Nos. 1 and 3

**Huron-Manistee N.F.**

**LEASE NOTICE No. 1**

Operations under this lease will be consistent with the Standards and Guidelines found in the Huron-Manistee National Forests Land and Resource Management Plan, as amended, and are hereby incorporated into this lease in the entirety.

**LEASE NOTICE No. 2**

Approximately 40 acres within the lands described below are included in an existing timber sale contract. If oil and gas activities and timber harvesting are proposed concurrently, use conflicts between the oil and gas operator and timber purchaser would need to be resolved prior to issuance of a Federal drilling permit.

**T28N, R9E, Michigan Meridian**

Sec. 29, All

**LEASE NOTICE No. 3**

Processing of proposed surface use plans of operation on National Forest System lands includes site-specific analysis to determine effects to sensitive species. This analysis may require surveys for certain plants and/or animals. Depending upon the species of concern, it may be necessary to survey through the spring, summer, and fall. The extent of required surveys could delay permit issuance. Operators are encouraged to submit proposals as soon as possible to facilitate the scheduling of necessary survey work.

**TIMING LIMITATION STIPULATION NO. 1**

The lands included in this lease contain potential habitat for Indiana bats. All construction of well pads, roads, and other facilities within potential habitat would be seasonally restricted from May 1 through August 31.

Exception: An exception to this restriction may be granted if site-specific analysis determines that necessary Indiana bat habitat components do not exist in the area of proposed disturbance.

**Huron-Manistee N.F.**

**CONTROLLED SURFACE USE STIPULATION No. 1**

The lands described below are in a Kirtland's Warbler Management Area. The following shall apply to any operations for which this lease is a part.

- A. Essential Kirtland's Warbler habitat, except stands aged 26-40 years old, will be available for limited development with 1 location per 640 acres.
  - 1. First priority for site location being inclusions of non-essential habitat.
  - 2. Second priority for site location being inclusions of essential habitat 26 years old plus.
  - 3. Third priority for site location being the essential habitat 0-25 years old.
  
- B. Essential Kirtland's Warbler habitat aged 26-40 years old will be available for limited development with a maximum of 1 producing location per 160 acres.
  - 1. First priority for site location being inclusions of non-essential habitat.
  - 2. Second priority for site location being essential habitat 26 years old plus.

Exceptions: May be granted through consultation with the USDA Forest Service and the USDI Fish and Wildlife Service.

**T25N, R1W, Michigan Meridian**  
Sec. 16, All

**CONTROLLED SURFACE USE STIPULATION No. 2**

The lands described below are in a Kirtland Warbler Management Area. No drilling, exploration, construction or maintenance shall take place within one-half mile of or create noise greater than 85 decibels in occupied habitat between May 1 and September 30.

In occupied habitat, proven wells can be produced between October 1 and April 30. Between May 1 and September 30, wells can be produced only if noise from production operations will be less than 85 decibels at 100 feet.

**T25N, R1W, Michigan Meridian**

Sec. 16, E3/4, Pt. W2SW

**CONTROLLED SURFACE USE STIPULATION No. 3**

The lands described below are being managed to provide a semi-primitive motorized recreational experience. Development of these lands under this lease will be limited to a maximum surface development density of 1 location per 160 acres.

**T20N, R17W, Michigan Meridian**

Sec. 7, Lots 3 & 4 (Frl W2SW), NESW  
Sec. 20, NESW, Pt. SENW and Pt. NWSE

**CONTROLLED SURFACE USE STIPULATION No. 4**

The lands described below are being managed to provide a semi-primitive non-motorized recreational experience. Development of these lands under this lease will be limited to a maximum surface development density of 1 location per 640.

**T25N, R1W, Michigan Meridian**

Sec. 8, NESW, NWSE  
Sec. 16, W2NW, Pt. W2SW  
Sec. 17, All

**Huron-Manistee N.F.**

**NO SURFACE OCCUPANCY STIPULATION No. 1**

The North Country National Scenic Trail is located on lands described below. No surface occupancy will be permitted within 300 feet of this trail.

**T15N, R13W, Michigan Meridian**

Sec. 7, Pt. NE

Sec. 8, Pt. W2SW, Pt. SWSWNW

**NO SURFACE OCCUPANCY STIPULATION No. 2**

The lands described below contain open water (river, stream and/or lake) and no surface occupancy will be permitted within 300 feet of the normal high water mark of said river, stream or lake.

**T26N, R3E, Michigan Meridian**

Sec. 13, Pt. E2W2

Sec. 14, Pt. N2SW, Pt. SENW

Sec. 23, Pt. W2E2, Pt. NENW, Pt. SWNW, Pt. NENE, Pt. SENE, Pt. NESE

Sec. 24, Pt. S2NW, Pt. SWSW

**T28N, R9E, Michigan Meridian**

Sec. 29, Pt. S2SE, Pt. NESE

**T25N, R1W, Michigan Meridian**

Sec. 8, Pt. NWSE, NENESW

Sec. 16, Pt. W2NE, Pt. SENW, Pt. SWNW, Pt. NWSW

Sec. 17, Pt. NW, Pt. SE, Pt. SESESW, Pt. NWNESW

**T15N, R12W, Michigan Meridian**

Sec. 35, Pt. NW

Sec. 36, Pt. W2

**T15N, R13W, Michigan Meridian**

Sec. 5, Pt. W2NWSW, Pt. SESW, Pt. SWSE

Sec. 8, Pt. W2SW, Pt. SWSWNW

Sec. 11, Pt. S2NENW, Pt. N2SENE, Pt. SENWNW, Pt. NESWNW, Pt. NWSW

Sec. 12, NWNE, Pt. NENE, Pt. E2NW, Pt. SWNW

Sec. 13, Pt. W2NE, Pt. NENW

Sec. 14, Pt. N2NW

Sec. 20, SWSWNE, Pt. S2

Sec. 21, Pt. NE

Sec. 36, SESE

**T20N, R17W, Michigan Meridian**

Sec. 17, Pt. SWNE, Pt. SENW, Pt. N2NESW, Pt. N2NWSW

Sec. 26, Pt. N2SWNW

Sec. 27, Pt. S2NE, Pt. NESE

**NO SURFACE OCCUPANCY STIPULATION No. 3**

The lands described below contain wetlands. No surface occupancy will be permitted in wetlands.

**T28N, R9E, Michigan Meridian**

Sec. 29, Pt. N1/4NE

**T15N, R12W, Michigan Meridian**

Sec. 16, Pt. NENWNW, Pt. NESESE

Sec. 30, Pt. N2NE

Sec. 35, Pt. NW, Pt. SESWSW

Sec. 36, Pt. W2

**T15N, R13W, Michigan Meridian**

Sec. 5, Pt. N2SWNE, Pt. SENWSW

Sec. 7, Pt. NENE

Sec. 8, Pt. W2NENW

Sec. 11, Pt. NWSW, Pt. NESESW

Sec. 12, NWNE, Pt. NENE, Pt. E2NW, Pt. SWNW, Pt. E2SE, Pt. SESW

Sec. 13, Pt. W2NE, Pt. NENW, Pt. W2NWNW

Sec. 14, Pt. N2NW

Sec. 20, SWNE, Pt. S2

Sec. 21, Pt. NE, Pt. SESE

Sec. 25, Pt. SENENE

Sec. 36, SESE

**T20N, R17W, Michigan Meridian**

Sec. 1, Pt. S2 Lot 8

Sec. 8, Pt. E2SENE

Sec. 9, Pt. E2SW, Pt. S1/4SWSE

Sec. 15, SESE, Pt. SWSW

Sec. 16, Pt. W2NE

Sec. 17, Pt. E2NWNE, Pt. N2SESE, Pt. S2NE, Pt. SENW, Pt. N2NWSW, Pt. NENESW

Sec. 20, Pt. N2NE

Sec. 22, Pt. NENWNE, Pt. NWNENE

Sec. 23, Pt. SENWNW

Sec. 27, Pt. S2NE

**NO SURFACE OCCUPANCY STIPULATION No. 4**

The lands described below have been designated for management as Old Growth. Where possible, oil and gas surface disturbing activities will be located outside of Old Growth. If this is not possible, occupancy for oil and gas development within Old Growth areas will be determined based on the presence of reasonable access. Where reasonable access exists, oil and gas development will follow Management Area direction. Where there is no access, surface occupancy will not be allowed.

**T26N, R3E, Michigan Meridian**

Sec. 13, Pt. N1/4NW

**T25N, R1W, Michigan Meridian**

Sec. 8, NESW, NWSE

Sec. 16, Pt. S2SE, Pt. S2SESW

Sec. 17, W2, W3/4NE, Pt. W1/4SE

**T15N, R12W, Michigan Meridian**

Sec. 20, SENE

Sec. 21, Pt. E1/4SWNW

**T15N, R13W, Michigan Meridian**

Sec. 5, SWNE, Pt. SENWSW, Pt. E2NESW, Pt. SWNESW, SESW, Pt. SWSE

Sec. 7, Pt. N2NENW, Pt. N2NWNE

Sec. 8, NW

Sec. 12, Pt. NWNE

Sec. 20, SWNE

Sec. 27, Pt. NWSW

**T20N, R17W, Michigan Meridian**

Sec. 8, E2SW, Pt. NWSE, Pt. S2SWNE

Sec. 26, SWNW

Sec. 27, S2NE, SE

**NO SURFACE OCCUPANCY STIPULATION No. 5**

The lands described below contain know occurrence or high potential for the occurrence of Karner Blue Butterfly, therefore no surface occupancy will be permitted.

Exception: An exception to this restriction may be granted for specific areas of proposed disturbance if site-specific analysis determines that effects would be beneficial to the species.

**T15N, R12W, Michigan Meridian**

Sec. 20, SENE

**T15N, R13W, Michigan Meridian**

Sec. 24, S2SW

Sec. 25, Pt. N2NW, Pt. SWNW

Sec. 26, E2NW

Sec. 27, S2NE, S2SE, E2SW

**NO SURFACE OCCUPANCY STIPULATION No. 6**

The lands described below are within an existing highway right-of-way. No surface occupancy will be permitted.

**T20N, R17W, Michigan Meridian**

Sec. 13, Pt. NESE, Pt. SESW, Pt. SWSW, Pt. S2SE

**Huron - Manistee National Forests**  
**STANDARD STIPULATIONS**  
(FSM 2820)

The lessee is notified and agrees:

All work and any operations authorized under this lease shall be done according to an approved operating plan on file with the District Ranger.

Plans generally require a minimum of 45 days for Forest Service review. Bureau of Land Management must also review and also approve.

Operating plan will contain information Forest Officer determines reasonable for assessment of (1) public safety, (2) environmental damage, and (3) protection for surface resources. Content of such plans will vary according to location and type of activity and may contain:

1. Steps taken to provide public safety.
2. Location and extent of areas to be occupied during operations.
3. Operation methods including size and type of equipment.
4. Capacity, character, standards of construction and size of all structures and facilities to be built.
5. Locations and size of areas where vegetation will be destroyed or soil laid bare.
6. Steps taken to prevent and control soil erosion.
7. Steps taken to prevent water pollution.
8. Character, amount, and time of use of explosives or fire, including safety precautions during their use.
9. Program proposed for rehabilitation and revegetation of disturbed land.

Copies of all permits obtained from State or Federal agencies pertaining to work might be required. Archeological studies, if required, will accompany plan.

The Forest Supervisor or his/her designated agent has authority to temporarily suspend or modify operations in whole or in part due to emergency forest conditions such as high fire danger or other unsafe situations.

The lessee must keep District Ranger informed about progress of operations to the extent reasonably necessary for assuring public safety. This notification is especially important with geophysical inventory and testing activities because of their mobile nature. District Ranger will alert lessee to circumstances that may affect safe and efficient conduct of work activities. Terms of this lease are considered violated if not done according to these stipulations.

**ES-049-07/02 MSES 51564 ACQ**

Mississippi, Chickasaw County, Tombigbee N.F.

T12S, R3E, Chickasaw Meridian

Sec. 1, NE, NENW, W2W2, E2SE and that part of Tract R-325 in  
W2SE and SESW containing 86.13 Acres.

545.660 Acres

\$819.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

**ES-050-07/02 MSES 51565 ACQ**

Mississippi, Chickasaw County, Tombigbee N.F.

T12S, R3E, Chickasaw Meridian

Sec. 11, S2.

320.00 Acres

\$480.00 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2A and Lease Notice Nos. 3 and 4

**ES-051-07/02 MSES 51566 ACQ**

Mississippi, Chickasaw County, Tombigbee N.F.

T12S, R3E, Chickasaw Meridian

Sec. 12, NENE, part of Tract R-325 in the NWNWNWNE containing 4 acres; Tract R-347 in  
the NE containing 107.61 acres; Part of Tract R-271a in the SW and SE containing  
206.49 acres; Part of Tract R-81h in the W2SW Containing 10.30 acres.

372.650 Acres

\$559.50 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2, No Surface Occupancy Stipulation  
No. 2A and Lease Notice Nos. 3 and 4

**NO SURFACE OCCUPANCY STIPULATION NO. 2**

No surface occupancy or use is allowed on the lands described below:

T12S, R3E, Chickasaw Meridian

Sec. 12, SE  
Sec. 13, N2NE, NW  
Sec. 14, SENE

For the purpose of:

Protection of the Davis Lake Recreation Area. Land and Resource Management Plan,  
National Forests in Mississippi, as amended, 9/85.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

**NO SURFACE OCCUPANCY STIPULATION NO. 2A**

No surface occupancy or use is allowed on the lands described below:

T12S, R3E, Chickasaw Meridian

All of that part of the S2 of Section 11 and the SW of Section 12, lying and being north of the northerly right of way line of a public road with Forest Road number 903 and being known as the Davis Lake Levee Road and containing 216 acres, more or less.

For the purpose of:

Protection of the Chuquatonchee Bluffs Research Natural Area. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

## **NFs IN MISSISSIPPI**

### **LEASE NOTICE NO. 3**

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the correct Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

### **LEASE NOTICE NO. 4**

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Further information concerning the classification of these lands may be obtained from the authorized Forest office.

All activities within these areas must be conducted in a manner to minimize adverse impacts to the resource values and in accordance with the Forest Land and Resource Management Plan guidelines.

**STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM  
UNDER JURISDICTION OF DEPARTMENT OF AGRICULTURE**

The licensee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor, NFs in Mississippi  
100 W. Capitol Street, Suite 1141  
Jackson, MS 39269  
Telephone Number: (601) 965\_4391

who is the authorized representative of the Secretary of Agriculture.

**BLM Field Office**

Jackson Field Office  
411 Briarwood Drive  
Suite 404  
Jackson, Mississippi 39206

**Surface Management Agency**

USDA, Forest Service \_ Region 8  
Room 792 South, Lands & Minerals  
1720 Peachtree Road, N.W.  
Atlanta, Georgia 30367

**ES-052-07/02 MSES 51567 ACQ**

Mississippi, Chickasaw County, BLM

T12S, R4E, Chickasaw Meridian

Sec. 6, All the SW lying East of Good food Creek (Tract R-3C).

23.58 Acres

\$36.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

**ES-053-07/02 MSES 51568 ACQ**

Mississippi, Monroe County, BLM

T13S, R17W, Huntsville Meridian

Sec. 32, SWNW.

40.17 Acres

\$61.50 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

**ES-054-07/02 MSES 51569 ACQ**

Mississippi, Monroe County, COE

Sec. 33, Tract 101 in the E2NW.

1.76 Acres

\$4.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

### **BLM NO SURFACE OR SUBSURFACE OCCUPANCY STIPULATION**

This parcel was nominated for leasing on the premise that development of the State spacing would occur so that any well drilled or associated surface use would not be located on the Federal lands described below. Such a nomination is referred to by the Bureau of Land Management as a “NOL” nomination; i.e., a “no occupancy lease” nomination. With such a NOL nomination to consider, the Bureau of Land Management prepares its environmental assessment (EA) based on a Proposed Action of “no occupancy (surface or subsurface)”.

Therefore, for the lands within this lease, “No Occupancy (surface or sub-surface)” is allowed under the terms of this lease.

Waiver: None

Exception: None.

Modification: None.

This lease does not obviate the need to obtain other Federal, State or local authorization required by law for any wells drilled or for any related surface disturbance that is proposed on lands pooled with those lands within this lease.

**ES-055-07/02 MSES 51570 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R8W, St. Stephens Meridian  
Sec. 3, NENE.  
40.50 Acres  
\$61.60 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-056-07/02 MSES 51571 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R8W, St. Stephens Meridian  
Sec. 6, SESW, SE;  
Sec. 7, N2, E2SW.  
192.81 Acres  
\$289.50 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-057-07/02 MSES 51572 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R8W, St. Stephens Meridian  
Sec. 12, S2NE, SE;  
Sec. 13, NENW, SW.  
440.45 Acres  
\$661.50 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-058-07/02 MSES 51573 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R8W, St. Stephens Meridian  
Sec. 20, All;  
Sec. 21, NE.  
800.00 Acres  
\$1,200.00 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-059-07/02 MSES 51574 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R8W, St. Stephens Meridian  
Sec. 25, E2NE, E2SW, SWSW, SE;  
Sec. 26, S2NW, N2SW.  
520.20 Acres  
\$781.50 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-060-07/02 MSES 51575 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R8W, St. Stephens Meridian

Sec. 29, NW, S2;  
Sec. 30, S2NE.  
556.00 Acres  
\$835.50 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-061-07/02 MSES 6ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R8W, St. Stephens Meridian  
Sec. 31, NESE, S2SE;  
Sec. 32, N2, N2S2, SWSE.  
634.30 Acres  
\$952.50 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-062-07/02 MSES 51577 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R8W, St. Stephens Meridian  
Sec. 33, All;  
Sec. 34, W2NE, NW, W2SW, S2SESW.  
980.00 Acres  
\$1,270.00 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-063-07/02 MSES 51578 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R10W, St. Stephens Meridian  
Sec. 19, W2SW.  
79.13 Acres  
\$120.00 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-064-07/02 MSES 51579 ACQ**

Mississippi, Wayne County, DeSoto N.F.  
T7N, R10W, St. Stephens Meridian  
Sec. 26, NENE, S2NE, NW, S2.  
600.95 Acres  
\$901.50 Rental  
Subject to F.S. Lease Notice Nos. 3 and 4

**ES-065-07/02 MSES 51580 ACQ**

Mississippi, Wayne County, DeSoto N.F.

T7N, R10W, St. Stephens Meridian

Sec. 29, All;

Sec. 30, N2, NESESW, N2SWSE, NWSE, SESE.

423.30 Acres

\$636.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

**ES-066-07/02 MSES 51581 ACQ**

Mississippi, Wayne County, DeSoto N.F.

T7N, R10W, St. Stephens Meridian

Sec. 31, SWNE;

Sec. 32, W2NE, NENW, S2NW, NESW;

Sec. 33, All.

279.43 Acres

\$420.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

## **NFs IN MISSISSIPPI**

### **LEASE NOTICE NO. 3**

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the correct Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

### **LEASE NOTICE NO. 4**

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Further information concerning the classification of these lands may be obtained from the authorized Forest office.

All activities within these areas must be conducted in a manner to minimize adverse impacts to the resource values and in accordance with the Forest Land and Resource Management Plan guidelines.

**STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM  
UNDER THE JURISDICTION OF DEPARTMENT OF AGRICULTURE**

The lessee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor, NFs in Mississippi  
100 W. Capitol Street, Suite 1141  
Jackson, MS 39269  
Phone Number: 601-965-4391

BLM Field Office  
Jackson Field Office  
411 Briarwood Drive, Suite 404  
Jackson, Mississippi 39206

Surface Management Agency  
USDA, Forest Service (Region 8)  
Room 792 South, Lands and Minerals  
1720 Peachtree Road, N.W.  
Atlanta, Georgia 30367